

RESPONSES TO ARGUMENTS MADE AGAINST H.R. 626

ARGUMENT #1: Federal employees already have some of the best compensation packages in the country. This is completely unnecessary.

RESPONSE: The compensation packages for federal employees may have been among the best in the 1950's, but this is no longer the case. Family structures today are more diverse, with dual-earner households, female-headed households, and stay-at-home fathers all far more common today than in the past. Current policies are not meeting the needs of this changing U.S. workforce. In 1975, just two out of five women with children under the age of six were in the paid workforce, and there was no right to paid parental leave to care for newborns. Today, over 60% of women with young children are in the paid workforce, yet America *still* does not have federal laws regarding paid parental leave.

RESPONSE: As the largest employer in the country, the federal government should serve as a model by providing some of the best compensation packages. However, right now we are falling behind. Federal employees do not have any paid leave for the birth or adoption of a child. This makes the United States the *only* industrialized country which does not offer this benefit. The federal government is lagging behind the private sector as well. 75% of Fortune 100 companies offer at least six weeks of paid maternity leave, making them more attractive to young, working families who cannot afford to go without pay for any length of time.

ARGUMENT #2: It's ridiculous to suggest extending paid leave benefits to federal workers during a recession.

RESPONSE: According to the Congressional Budget Office cost estimate for H.R. 5781, the Federal Employees Paid Parental Leave Act of 2008, providing these benefits is pay-go neutral, and CBO specifically stated that "enacting HR 5781 would not affect direct spending or receipts." The CBO score estimates that the total value of leaves taken during the first full year of the bill's implementation would total \$190 million. The Joint Economic Committee estimates that this is equal to less than one-tenth of one percent of the federal payroll. Not reflected in the CBO score is the cost savings of providing paid parental leave. For example, this benefit can save the government money by reducing turnover, because it costs about 20% of an employee's salary to hire and train new workers, compared with about 8% to provide a long-standing employee with a few weeks of paid leave.

RESPONSE: Paid leave is good for working families. In these difficult economic times, working families need all the help they can get. 45% of full-time federal employees of prime child-bearing age (20-39 years old) have annual salaries under \$49,000. 25% of

these workers earn less than \$39,000 annually. These modest salaries mean that it is difficult to save up a nest egg prior to the arrival of a new child – and the financial collapse has caused much of those savings to disappear. Without paid leave, the birth of a child means many of those families are left with no income at all. By extending these benefits to federal workers, we can diminish the risk of severe economic hardship for the 1.8 million workers employed by the federal government. The birth of a child should be a joy, not an undue financial burden.

RESPONSE: Paid leave is good for the economy. A main focus of the economic stimulus is job creation and income support to spur consumption, a key driver of economic growth. According to a study by the U.S. Department of Agriculture, new parents spend an average of \$11,000 in the first year of a child's life. By ensuring that families' incomes remain steady while a parent is at home caring for new child, paid leave ensures that this consumption remains steady too.

RESPONSE: Paid leave is good for taxpayers, because providing paid leave to federal employees could save the federal government money in the long run. Workers are more likely to return to their jobs after a leave if paid leave is provided. This saves the federal government the cost of turnover, estimated to be 20% of an employee's salary, compared to four weeks of paid leave, which is only 8% of an employee's salary. In addition, workers who take parental leave without pay are at risk of serious financial hardship, and may qualify for federal or state benefits such as TANF or SNAP (formerly Food Stamps). This places an additional burden on systems that are already maxed-out.

ARGUMENT #3: This is just another example of beltway politics, because it only helps people in D.C.

RESPONSE: H.R. 626 is about helping hard working families everywhere. The federal government is the nation's largest employer, with over 1.8 million employees all over the country. Only 16% of those federal employees are actually located in Washington, D.C. Federal employees can be found across the country, in a wide range of jobs. As such, providing paid parental leave to federal employees would provide relief to families in every state and a wide variety of industries.

RESPONSE: Providing paid parental leave would help workers nationwide. As the biggest employer in the country, the federal government should be a leader in family friendly workplace policies. Providing paid leave to federal employees would impact a large segment of the population, and would set a standard for other sectors in providing important benefits for workers nationwide.